

2016 Regular Session

HOUSE BILL NO. 184

BY REPRESENTATIVE STOKES

INSURANCE CLAIMS: Requires provision of certain claims information to insureds

1 AN ACT

2 To enact R.S. 22:1332(B)(7), relative to homeowners' insurance policies; to provide for
3 notice to policyholders that claims not exceeding the deductible may result in
4 increased premiums or cancellation of coverage; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1332(B)(7) is hereby enacted to read as follows:

7 §1332. Delivery of homeowners' insurance; disclosures

8 * * *

9 B. No homeowners' insurance policy which provides coverage for damage
10 to property shall be delivered or issued for delivery in this state with respect to any
11 residential property unless the insurer advises the insured in writing, prominently
12 displayed on a form developed and promulgated by the commissioner of insurance
13 and in bold typed print of not less than a fourteen-point font as an insert in the front
14 of the policy, of the following disclosures:

15 * * *

16 (7) That making a claim that does not exceed the policy deductible and that
17 does not result in a payment either to the insured or on behalf of the insured may be
18 used by the insurer to increase the cost of the policy's premium in the future or as
19 part of the basis for cancellation of the policy. Insurers that do not use such claims

1 to increase the cost of the policy's premium or as part of the basis for cancellation of
2 the policy shall be exempt from the disclosure requirements of this Paragraph.

3 * * *

4 Section 2. This Act shall become effective January 1, 2017, and shall be applicable
5 for all new homeowner's policies and renewal of existing homeowner's policies.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 184 Reengrossed

2016 Regular Session

Stokes

Abstract: Provides for disclosure by insurers to policyholders that claims that do not exceed the deductible and result in payment either to or on behalf of the insured may be used to increase the premium or as part of the basis for cancellation of the insured's homeowner's policy.

Present law requires that homeowners' insurers provide certain disclosures with homeowners' insurance policies issued or delivered in this state.

Proposed law retains present law and adds an additional required disclosure to the insured that making a claim that does not exceed the policy deductible and result in payment either to or on behalf of the insured may be used to increase the premium or as part of the basis for cancellation of the policy.

Proposed law is applicable to new homeowner's policies and the renewal of existing homeowner's policies.

Effective January 1, 2017.

(Adds R.S. 22:1332(B)(7))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Add an effective date of Jan. 1, 2017.
2. Provide that proposed law is applicable to new homeowner's policies and renewal of existing policies.